Secrt. II-27—100,006—21-5-52.

Food & Agri (1949) Department.

MS. SERIES.

G.O. No. 1481 82

1481-82

Dated 24.11.49

[Despatch Abstract.]

AGRICULTURE- Intensive Cultivation Schemes- Green manure- Enhanced subsidy- Proposals of the D.A. Orders passed.

GOVERNMENT OF MADRAS.
Abstract.

G.O. Ms. No.1481, Food, Dated
26-11-49.

Agriculture- Intensive Cultivation Schemes- Green manure- Enhanced subsidy- Proposals of D.A. - Orders passed.

Food and Agriculture Department.

READ AGAIN:

G.O. No.3913 Dev. dated 2-8-47.
G.O. No. 868 Food &Agri. dated 2-9-49.

READ ALSO: From the D.A. E.E.1. 84-49 dated 20-4-49
-do- -do- 27-10-49.

O R D E R:

In G.O. 3913 Ms, Development, 2-8-1947, dated, the Government sanctioned the payment of a subsidy of Rs.6-8-0 per bag of 160 lbs. of green manure seed to the seed farm ryot and directed that half of the subsidy, ie. Rs.3-4-0 per bag should be recovered through the sale price of the seeds at the stage of sale of by the Department to the ryots. This was ordered to be continued upto 31-3-1949 and the position revised thereafter. The D.A. proposed in his reference first cited that the payment of the subsidy of Rs. 6-8-0 per bag to the producer might be continued and that the recovery of the entire subsidy of Rs.6-8-0 per bag might be waived instead of only Rs.3-4-0 per bag. While these proposals were under examination, the Government published a Two Year Plan relating to Agricultural Schemes in G.O. 868 Food and Agri. dated 2-9-49, and scheme No.12 of that plan relates to Green manure. This scheme provides for the recovery of the entire subsidy of Rs. 6-8-0 per bag of green manure seeds through their sale price. The net cost of the schme for 1949-50 has been estimated on this basis at Rs.7,40,100 half of which has been claimed for the Government of India according to their rules of financial assistance. The Government of India also sanctioned their share of half grant of Rs.3,70,050 for the scheme during the current year. As the concession of waiving recovery of half the subsidy at the time of sale has been in existence during 1948-49, the Government consider that this concession is more particularly required at the present moment to encourage the ryots in the application of green manure to food crops for stopping up food production. H.E. the Governor of Madras accordingly directs that the payment of a subsidy of Rs. 6-8-0 per bag to the producer who offers the green manure seed as well as the waiving of recovery of Rs.3-4-0 per bag through sale price of the seed, be continued for the year 1949-50 also.

2. The extra cost involved during 1949-50 is estimated at Rs.9,75,000/- on the assumption that 3 lakhs bags of green manure seed will be distributed by the end of the current year.

3. The Government of India are being addressed separately for a half grant towards the extra cost.

4. The expenditure should be debited to "85-A Capital outlay on Provincial Schmes of State Trading- C.Other Mis. Charges- D.Purchase and distribution of paddy and other seed". The A.G. is authorised to admit the expenditure in audit pending the provision of funds later, if necessary.

(By Order of His Excellency the Governor)

Sd.
Secretary to Government.

To

The Director of Agriculture
the Jt. D.A. (Thro A.G.)
the Bd. of Rev. (F.P.)
Copy to 'L' Section.

True Copy.

Superintendent,
Madras Record Office.

MG.

2217.

FOOD & AGRICULTURE Dept.

Letter (MS) No.1482 Food and Agriculture dated 26-11-1949.

To

The Commissioner for Food Production to the Government of India, Ministry of Agriculture, New Delhi (With encls.).

Sir,

Sub: AGRICULTURE- Intensive Cultivation Schemes- Green Manure- Enhanced subsidy for scheme. No.12 of the Two Year Plan.

Ref: i) This Government letter No.869 Food and Agri Dated 2-9-1949.
ii) From the Government of India, Ministry of Agri- F.7-59/49 G.M dated 7-11-1949.

In continuation of this Government letter cited, I am to enclose a copy of their proceedings No.1481 Ms dated 26-11-1949 sanctioning the continuance of the subsidy to the ryot under Scheme No.12 in the Two Year Plan at Rs.3-4-0 per bag by an appropriate reduction in the sale price of green manure seeds. I am to request that the sanction of the Government of India for a half grant of Rs.4,87,500 (Rupees four lakhs, eighty seven thousand and five hundred only) towards the extra cost may be obtained and communciated to this Government at any early date.

Yours faithfully.

Copy to the Board of Revenue (F.P)
Copy to Director of Agriculture.
To the Jt. Director of Agriculture.
To L Section.

True Copy

NOTE FILE: Food & Agriculture (L) Deptt.

SUMMARISING NOTE.

This case relates to the proposals of the D.A. that the payment of Rs.6-8-0 per bag of green manure seed to the seed farm ryots mentioned in G.O.3913 Dev. dated 2.8.49 may be continued this year also and that the same need not be recovered while selling it to the ryots. It is submitted that in the Two Year plan, it is proposed to pay Rs. 6-8-0 per bag to the seed farm ryots but to recover the entire amount of Rs.6-8-0 per bag through sale price. On this basis, the Government of India were addressed and a claim of Rs.3,70,050/- only was made in respect of the scheme to the Government of India who have sanctioned this amount in full. The position of the Government of India in regard to this scheme is that half the totøal net cost will be subsidised by them, whatever it be.

The proposal of the D.A. to be now considered in this case is therefore one for not recovering the subsidy of Rs.6-8-0 paid to the seed farm ryots for procurement of the seeds as the proposal to pay a subsidy of Rs.6-8-0 per bag to the seed farm ryot has already been covered by scheme No.12 in the Two Year plan. This proposal has been examined in consulatation with the Finance Department who suggest that, as the purchasing ryots should be encouraged to go in for the green manure seed and as the practice during the two previous years was to recover only 50% of the subsidy of Rs.6.8.0 per bag through sale price, the same procedure may be adopted for the current year also. They suggest, in effect that a subsidy of Rs.6-8-0 per bag may be paid to the seed farm ryot for procuring the seeds and recover Rs.3-4-0 per bag fixing the sale price and that the Government of India may be addressed simultaneously for sharing the ~~protion~~ portion of the subsidy not recovered through sale price. In the Two Year plan, the entire amount of Rs.6-8-0 per bag was proposed to be recovered through sale price of the greenmanure seeds and the net cost on this basis for one year was Rs.7,50,100/- If however only half the subsidy, i.e. Rs.3-4-0 per bag were to be recovered through sale price, the net cost will be increased by Rs.9,75,000/- (Rs.3-4-0 x 3,00,000). (The D.A. has stated that the target for 1949-50 is 3 lakhs bags- see p.25 cf.) The extra cost therefore for each Government (Provincial and Central) will be half this amount viz. Rs.4,87,500/-, if it is proposed to recover only Rs.3-4-0 instead of Rs.6-8-0 per bag through the sale price.

The case may be circulated to H.M. (Agri) and H.M. (Fin) for orders:-

(i) whether a subsidy of Rs.6-8-0 per bag may be paid to the seed farm ryot for procuring the green manure seeds as already contemplated in the Two Year Plan;

(ii) whether half the subsidy viz Rs.3-4-0 per bag ~~may be bag~~ may be recovered, through sale price of the green manure seed and the other half met by the Provincial and Central Governments.

(iii) Whether the expenditure may accordingly be sanctioned immediately and the G.Of I. addressed simultaenously for sharing the portion of the subsidy not recovered through the sale price.

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